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C O N F I D E N T I A L SECTION 01 OF 02 ATHENS 001298

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TAGS: ECON PGOV ENRG GR

SUBJECT: "WE DON'T UNDERSTAND THE ANTI-GAZPROM CAMPAIGN."  
RUSSIAN AMBASSADOR TO GREECE SPEAKS ABOUT RUSSIAN ENERGY  
INTERESTS IN SE EUROPE

REF: ATHENS 0342

Classified By: Charge' Tom Countryman for reasons 1.4 (b, d)

**¶11. (C) Summary.** In a public speech at a luncheon in Athens on 17 May, Andrei Vdovin, Russian Ambassador to Greece, commented on the Russian - Greek bi-lateral relationship with a specific focus on energy. Vdovin underscored the overall strength and historical context of the relationship before specifically touching upon Russia's interest in the recent energy related issues of SE Europe such as the Burgas-Alexandropoli (BA) oil pipeline, the Turkey Greece Italy (TGI) natural gas pipeline, a claim of an extension to Gazprom's supply contract with the GoG past 2016 and Russian energy investments in Greece. Vdovin's comments drew several openly confrontational questions from Greek audience members which contradicted the image of strength and cooperation he attempted to portray in his remarks. Post remains concerned about the influence of Russian interests on key members of the GoG as Greece continues to seek a larger role in the SE Europe energy corridor. End Summary.

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Gazprom and the link to Burgas-Alexandropoli (BA)  
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**¶12. (U)** Making a specific point that Gazprom has always been a reliable supplier to Greece and to western Europe, Vdovin continued by noting that Russia currently supplies 46 percent of Greece's petroleum and 75 percent of its natural gas. (Note According to USG information Vdovin's estimates are conservative, and that Russian supplies over 60 percent of oil and over 82 percent of gas.) Borrowing from Gazprom Chairman Alexy Miller's script during his visit to Athens in February (reftel a), Vdovin indirectly linked Russia's natural gas interests in the region with its participation in the BA pipeline, mentioning that movement on BA will be seen "in a very short time. That is all I can say." It is worth mentioning that Vdovin also referred to a plan to extend Gazprom's current contract with the GoG past 2016. This plan, according to Vdovin, was presented during Miller's visit and would be implemented "soon."

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Turkey-Greece-Italy Interconnector (TGI) and Russian Investment  
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**¶13. (U)** Vdovin spoke at length about the broader implications of the TGI and the Russian support for an open and free market in the region. Commenting on western Europe's desire to ensure diversity of supply, Vdovin told the room that

reciprocally, from his side, Russia sought "diversity of customers" and mentioned that market economics supported both objectives. Vdovin also minced no words when speaking about supply contracts for TGI stating that Gazprom "expects right of access" and that "agreements must be honored," continuing by stating that Gazprom was ready to support higher volumes through Greece now.

¶4. (U) Mentioning both the USG and Great Britain recent concerns on the matter, Vdovin stated that "We don't understand the anti-Gazprom campaign." He questioned the logic behind Gazprom's public reputation as a dangerous entity, claiming "we support the principles of the free market." On a sharply different tact, Vdovin also called on those who have made allegations against Gazprom to come forward and present evidence; he did not elaborate on the statement. It is worth mentioning that Vdovin highlighted 'Prometheus Gas,' the joint-venture between Gazprom and the Greek owned Copelouzos Group on two separate occasions during his remarks. ([www.prometheusgas.gr](http://www.prometheusgas.gr))

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Greek Reaction  
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¶5. (U) Few questions were asked of Vdovin after he concluded his remarks. Those who did take the microphone clearly were having none of Vdovin's claims of Gazprom as legitimate market player and supporter of free market principles. One private Greek businessman described Gazprom's interests and investments in companies and energy consortiums throughout the Balkans as an example of monopolistic and unfair business practice.

ATHENS 00001298 002 OF 002

¶6. (C) Comment. Vdovin was very much on-script and on-message in his remarks and did not seem overly surprised at questions from individual Greek businessmen who expressed a less than positive view of Gazprom's role in Greece and the region. Privately, leading Greeks, including the head of Greece's natural gas company, DEPA (septel) are telling us that the Russians are withholding extension of the 2016 gas supply contract as a way to wring concessions in other areas, primarily TGI. End Comment.

Countryman